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LAW of the LAND

Making The Grade

Andover Is Open For Business In Biotech

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SPECIAL TO BANKER & TRADESMAN

The Massachusetts Biotechnology Council (MassBio) is a private non-profit committed to expanding the life science and health care industries in the Bay State. Its members include biomedical firms, academic hospitals and allied organizations.



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As part of its mission, MassBio developed a scorecard to grade Massachusetts communities that welcome biotechnology. Andover is among several communities that have earned

the MassBio's highest rating.

MassBio's 2016 industry update shows the growth of the Massachusetts biotech industry over the last 10 years. During that time, the number of biopharma jobs in Massachusetts has increased from 46,117 to 63,026, a gain of 37 percent. With 31,469 biotechnology research and development jobs, Massachusetts boasts the highest employment in the nation in that sector as of 2015, with California close behind at 29,616. The industry produces good wages, with an average annual salary of \$147,432, and total annual salaries above \$9 billion. Life science lab space has expanded from about 16 million square feet to over 25 mil-



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lion square feet. Forecasts anticipate continued growth in this industry.

MassBio rates communities that are receptive to biotech as bronze, silver, gold or platinum, based on listed criteria. Many communities have no rating at all, because they lack basic infrastructure or permitting options needed for life science facilities. Communities can earn a bronze rating if they have public water and sewer, and zoning bylaws allowing biotech by special permit in certain districts. Communities with a silver rating allow biotech as-of-right in certain districts, have identified specific properties as suitable for biotech, and offer expedited permitting. A gold rating means that the community has buildings that are pre-permitted for biotech or already house biotech activities.

The platinum rating is reserved for communities that meet all requirements for bronze, silver and gold ratings, and also have at least 20,000 square feet of space

permitted for biotech or a shovel-ready pre-permitted site with completed MEPA review and municipal water and sewer capacity to meet additional demand. According to MassBio's website, only 27 communities have earned a platinum rating: Andover, Bedford, Beverly, Boston, Cambridge, Canton, Devens, Framingham, Franklin, Gloucester, Grafton, Haverhill, Leominster, Lexington, Lowell, Malden, Marlborough, New Bedford, North Andover, Quincy, Southfield, Springfield, Taunton, Waltham, Westborough, Woburn and Worcester.

Andover's Strategic Location

Andover exemplifies the commitment to life sciences required to earn MassBio's platinum rating. Located at the intersection of two interstate highways, and hosting a vibrant town center, dedicated open space, and two commuter rail stations, Andover is a desirable place to live and work.

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The town has since 2009 made noteworthy efforts to attract life science businesses. Andover's industrial districts allow life science uses as-of-right, and the town has adopted an expedited permitting process for specified priority development sites under Massachusetts General Laws chapter 43D, which guarantees local permitting decisions within 180 days.

Andover already has about 2 million square feet of building space devoted to life sciences, of which Pfizer Pharmaceuticals occupies about 900,000 square feet. Other life science firms such as Draeger Medical Systems, Eisai, Smith & Nephew,

Phillips North America and Straumann USA have significant presences in Andover. The town has also pre-permitted a 20-acre undeveloped site near Route 495 for construction of a 300,000 square-foot facility.

In 2016 Andover adopted a tax increment financing plan (TIF) to encourage Pfizer to expand its campus. Under the five-year TIF, the town agreed to 100 percent real estate tax relief on Pfizer's expansion for three years, plus 65 percent relief in years four and five, capped at \$2.9 million of total tax relief. Pfizer has broken ground on a \$26 million project that

will add 175,000 square feet of building space and 75 new jobs under the TIF. Andover expects to realize a \$3.8 million TIF benefit over 10 years from Pfizer's expansion.

Andover offers an attractive location with excellent infrastructure, an accommodating regulatory environment, and a willingness to offer tax incentives. Its doors remain wide open for more life science developments. ■

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